

CERTIFICATE OF INSURANCE
CLAIMS MADE FORM

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CERTIFICATE #: 503737
 PADI NO.: 185282
 EFFECTIVE DATE: 06/30/2004

NAME AND ADDRESS OF INSURED(S):

| | | | |
|---|---|---|--|
| TROUT, ERIC, C PO BOX 1580 KOLOA, HI 96758 US | | PADI The PADI Risk Purchasing Group Inc. 30151 Tomas Street Rancho Santa Margarita, CA 92688 | |
| Type of Insurance | INSURER AND POLICY NO. | LIMITS OF LIABILITY | EXPIRATION DATE |
| Professional Liability Equipment Liability Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | Policy issued by Lexington Insurance Company Policy #: 1323464 | Professional Liability \$1,000,000 (per claim) COMBINED SINGLE LIMIT AND \$2,000,000 ANNUAL AGGREGATE | 06/30/2005 12:01:00 AM 90 DAY DISCOVERY PERIOD |
| Retro Date: 06/30/2004, or the first day of uninterrupted coverage, whichever is earlier (refer to section VI of the policy). However, in the event of a claim which invokes a Retroactive Date prior to 06/30/2004, the Certificate Holder must submit proof of uninterrupted insurance coverage dating prior to the date that the alleged negligent act, error, or omission occurred. | | | |
| Status of Insured is Instructor as of 06/30/2004 | | | |

In accordance with all of the terms and conditions set forth in the Master Policy. The Master Policy may be amended by endorsement, cancelled, or non-renewed without notice to the Insured/Certificate Holder. In the event of cancellation of the Master Policy by the Company, the Company will send the notice required by the Master Policy to PADI and shall have no obligation to notify the individual Insured/Certificate Holder. In the event of cancellation by the Company of the Insured/Certificate Holder under the Master Policy, the Company will mail at least 10 days notice to the Insured/Certificate Holder in which case the premium paid by the Insured/Certificate Holder shall be returned in due course. The Insured/Certificate Holder may cancel its coverage under the Master Policy by giving written notice to the Company stating when thereafter such cancellation shall be effective; however, in such case, THERE SHALL BE NO RETURN PREMIUM.

Vicencia & Buckley Insurance Services, Inc.
 Steve Vicencia CPCU
 20 Centerpointe Drive, #100
 La Palma, CA 90623-1078
 (714) 739-3177 FAX (714) 739-3188
 (800) 223-9998

Steve Vicencia

EXHIBIT " B "

** TOTAL PAGE.02 **

It is understood and agreed that the PADI Professional Liability Policy is hereby amended as follows:

ADDITIONAL INSURED – BLANKET FORM

This endorsement modifies insurance provided for under the following:

SCUBA INSTRUCTORS PROFESSIONAL LIABILITY COVERAGE PART (CLAIMS MADE)

- 1) IT IS UNDERSTOOD AND AGREED THAT ADDITIONAL INSURED COVERAGE IS INCLUDED FOR ANY RETAIL DIVE STORE (INCLUDING IT'S OWNERS OR PARTNERS), DIVE BOAT EDUCATIONAL INSTITUTION, MARINA, GOVERNMENTAL ENTITY OR MUNICIPALITY, SWIMMING POOL FACILITY, LANDLORD, PROPERTY OWNER, DIVE RESORT, HOTEL OR MOTEL FROM WHICH AN INSTRUCTOR, ASSISTANT INSTRUCTOR OR DIVE MASTER OPERATES. HOWEVER, THIS ADDITIONAL INSURED PROTECTION SHALL IN ALL CASES BE LIMITED IN SCOPE TO APPLY ONLY TO THE REGULAR OPERATIONS OF THE NAMED INSURED IN CONNECTION WITH HIS OR HER TEACHING AND/OR SUPERVISING OF SCUBA OR SNORKELING ACTIVITIES SANCTIONED AND APPROVED BY PADI.
- 2) ADDITIONAL INSUREDS OTHER THAN THOSE ENTITIES ABOVE ARE ADDED AS AN ADDITIONAL INSURED IF NAMED ON A CERTIFICATE OF INSURANCE ISSUED TO AN INSURED. HOWEVER, COVERAGE IS LIMITED TO CLAIM ARISING OUT OF THE REGULAR OPERATION OF THE NAMED INSURED IN CONNECTION WITH HIS OR HER TEACHING OR SUPERVISING OF SCUBA OR SNORKELING ACTIVITIES SANCTIONED AND APPROVED BY PADI.
- 3) HOWEVER, THE INSURANCE PROVIDED TO THE ADDITIONAL INSURED DOES NOT APPLY TO:
 - A. "BODILY INJURY" OR "PROPERTY DAMAGE" ARISING OUT OF A SCUBA DIVING TRAINING AGENCY'S RENDERING OR FAILURE TO RENDER.
 1. TRAINING OR EDUCATIONAL STANDARDS, OR EDUCATIONAL MATERIALS TO ANY INSURED.
 2. SUPERVISION OF SCUBA INSTRUCTORS, DIVE MASTERS, OR ASSISTANT INSTRUCTORS.

This endorsement, which forms a part of and is for attachment to the following described policy issued by the company designated therein, takes effect on the effective date of said policy, unless another effective date is shown below, or the hour stated in said policy and expired concurrently with said policy.

ENDORSEMENT #001

This endorsement, effective 06/30/04 at 12:01 AM

Forms a part of policy no.: 1323464

Issued to: PADI Worldwide Corporation

By: Lexington Insurance Company

ADDITIONAL INSURED FACILITY ENDORSEMENT

- A. It is understood and agreed that the following, hereinafter sometimes referred to as "facility" or "facilities", are additional insureds under the Policy:

any retail dive store, dive boat, educational institution, marina, governmental entity, swimming pool facility, dive resort, hotel or motel, including the landlord or owner of or partners in such facilities, in or at which an insured instructor or dive master operates, which facility or facilities the Named Insured is required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the occurrence of the bodily injury for which such additional insured seeks coverage under this policy.

- B. With respect to any retail dive store for which Lexington is currently providing General Liability coverage during this policy period, such retail dive store shall be an additional insured pursuant to Paragraph A, above, whether the contract with the Named Insured is written or oral.

- C. The insurance provided to such additional insureds under this endorsement is limited as follows:

1. The facility is only an additional insured with respect to liability arising out of the regular and usual operations of the Named Insured in connection with the Named Insured's teaching and/or supervising of SCUBA or snorkeling activities sanctioned and approved by PADI.
2. In the event the Limits of Liability provided by this policy exceed the limits of insurance required the written agreement referred to in Paragraph A, above, the insurance provided by this endorsement shall be limited to the limits of insurance required by such written contract or written agreement. This endorsement shall not increase the Limits of Liability stated in Item 3 of the Declarations.
3. Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis unless the written contract or written agreement referred to in Paragraph A, above, specifically requires that this insurance apply on a primary or contributory basis.
4. The insurance provided to such additional insureds does not apply to "bodily injury" or "property damage" arising out of a SCUBA diving training agency's providing or failing to provide:
 - a. training or educational standards or educational materials to any insured; or

b. supervision of SCUBA instructors, assistant instructors or dive masters

5. In accordance with the terms and conditions of the policy and as more fully set forth in the policy, each additional insured must, as soon as practicable, give us prompt notice of any "occurrence" which may result in a claim, forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with all the policy's terms and conditions.



Authorized Representative OR
Countersignature (In states where applicable)